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(Original Signature of Member)

118TH CONGRESS
1ST SESSION

H. R. _____

To prohibit support for the remote use or cloud use of integrated circuits listed under Export Control Classification Number 3A090 and 4A090 of the Export Administration Regulations by entities located in the People's Republic of China or Macau.

IN THE HOUSE OF REPRESENTATIVES

Mr. JACKSON of North Carolina introduced the following bill; which was referred to the Committee on _____

A BILL

To prohibit support for the remote use or cloud use of integrated circuits listed under Export Control Classification Number 3A090 and 4A090 of the Export Administration Regulations by entities located in the People's Republic of China or Macau.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Closing Loopholes for
5 the Overseas Use and Development of Artificial Intel-
6 ligence Act” or “CLOUD AI Act”.

1 **SEC. 2. FINDINGS.**

2 Congress makes the following findings:

3 (1) The People's Republic of China, the Rus-
4 sian Federation, and other adversarial countries
5 have taken actions to undermine global stability as
6 well as the United States' national security and for-
7 eign policy objectives.

8 (2) China has used commercially available civil-
9 ian technology to modernize its military forces in a
10 policy known as military-civil fusion.

11 (3) As part of its policy of military-civil fusion,
12 China is working to modernize its nuclear, chemical,
13 missile, and biological weapons capacity.

14 (4) The United States and its allies have long
15 regulated items and activities that support the devel-
16 opment, production, or use of otherwise commercial
17 items if those items are aid in the development, pro-
18 duction, or use of nuclear, chemical, missile, or bio-
19 logical weapons.

20 (5) Artificial intelligence tools could be used to
21 support the development, production, or use of nu-
22 clear, chemical, missile, or biological weapons or en-
23 hance the destructive capabilities of those weapons.

24 (6) Advanced semiconductors and supercom-
25 puter components such as graphics processing units

1 can be used to develop or train artificial intelligence
2 tools and models.

3 (7) In October 2022, the Department of Com-
4 merce promulgated export control rules to prevent
5 the export of advanced semiconductors and super-
6 computer components to China or Macau.

7 (8) Notwithstanding these controls, recent re-
8 porting indicates that though entities located in
9 China and Macau can no longer purchase and im-
10 port advanced semiconductors and supercomputer
11 components because of the October 2022 export con-
12 trols, Chinese entities are still developing artificial
13 intelligence tools and models by purchasing remote
14 and cloud access to these same advanced compo-
15 nents to train artificial intelligence models and tools.

16 **SEC. 3. PROHIBITION ON SUPPORT FOR REMOTE USE OR**
17 **CLOUD USE OF INTEGRATED CIRCUITS LIST-**
18 **ED UNDER EXPORT CONTROL CLASSIFICA-**
19 **TION NUMBER 3A090 AND 4A090 OF THE EX-**
20 **PORT ADMINISTRATION REGULATIONS BY**
21 **ENTITIES LOCATED IN THE PEOPLE'S REPUB-**
22 **LIC OF CHINA OR MACAU.**

23 (a) IN GENERAL.—Not later than 180 days after the
24 date of the enactment of this Act, the Secretary of Com-
25 merce shall prohibit United States persons and United

1 States subsidiaries from providing support for the remote
2 use or cloud use of any integrated circuit listed under Ex-
3 port Control Classification Number 3A090 and 4A090 of
4 the Export Administration Regulations by an entity lo-
5 cated in the People's Republic of China or Macau.

6 (b) REGULATIONS.—The Secretary of Commerce
7 shall issue such regulations as may be necessary to carry
8 out this section.

9 (c) DEFINITIONS.—In this section—

10 (1) the term “Export Administration Regula-
11 tions” means the regulations set forth in subchapter
12 C of chapter VII of title 15, Code of Federal Regu-
13 lations;

14 (2) the term “support” has the meaning given
15 that term in section 744.6 of title 15, Code of Fed-
16 eral Regulations;

17 (3) the term “United States person” has the
18 meaning given the term “U.S. Person” in section
19 772.1 of title 15, Code of Federal Regulations; and

20 (4) the term “United States subsidiary” has
21 the meaning given the term “U.S. Subsidiary” in
22 section 772.1 of title 15, Code of Federal Regula-
23 tions, notwithstanding the limitation applied with re-
24 spect to encryption items in that definition.